



Soft Commodities Forum members commit to common framework supporting transparent and traceable soy supply chains in Brazil

Geneva, 15 February 2019 – The Soft Commodities Forum (SCF) members, a global platform for leading soft commodities companies convened by the World Business Council for Sustainable Development (WBCSD), have committed to a common framework for reporting and monitoring progress on transparent and traceable supply chains for soy in Brazil’s Cerrado region.

The Cerrado region of Brazil plays a significant role globally for both people and nature, including climate change mitigation, biodiversity, fresh water systems, and as an economic engine for local communities as a production region for exported agricultural commodities. However, the extent and pace of native vegetation loss resulting from cattle and soy expansion in the Cerrado poses a significant threat to these social, environmental and economic values.

Ian McIntosh, CEO of Louis Dreyfus Company (LDC), one of the founding members of the SCF, states: “We are continuously seeking to rise to the challenge of feeding the world’s growing population in a sustainable manner. This means being mindful to preserve the environment, including areas of importance for their biodiversity. Brazil’s Cerrado Biome is one such area, where every effort must be made to ensure that any agricultural expansion occurs hand-in-hand with the preservation of native vegetation. The Soft Commodities Forum allows us to set common sustainability goals with our peers, and mutual reports on our progress, as one of the means we have to ensure fair and sustainable value creation.”

In addition to LDC, members of the SCF consist of the founding members Archer Daniels Midland (ADM), Bunge and Cargill. The SCF membership has expanded to include COFCO International and Glencore Agriculture.

SCF member companies recognize the existing risks and commit to act on supporting transparent and traceable soy supply chains in Brazil. Each member company will report updates on progress every six months. In addition, the SCF member companies are participating in the processes of the Cerrado Working Group, also known as GTC, to develop agreed common definitions, to design appropriate financial incentives, and to outline actions which should be taken. The GTC was established by a multistakeholder coalition to develop terms of agreement between producers, industry, consumer organizations and civil society, as well as an action plan for eradicating deforestation and conversion of native vegetation in Brazil’s Cerrado biome.

Starting with 2018 harvest data, the SCF member companies will report individually the percentage of soy they each source in the Cerrado from the total Brazilian volume. Together, the SCF members will closely monitor municipalities with the highest risk of conversion of native vegetation to soy, based on GTC information. Sourcing in these municipalities will be reported in percentages of direct purchase from farmers, and indirect purchase, from parties like aggregators, cooperatives and third parties. The first report will be issued in June 2019. The process will be supported by Proforest, a leading non-profit

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group that supports companies, governments and other organisations to implement their commitments to the responsible production and sourcing of agricultural commodities and forest products.

Subsequent reporting will provide information on specific actions being taken to improve direct engagement with farmers to address risks in the municipalities.

“Cargill is proud to join other leaders in the industry to support actions that help Brazilian farmers protect forests, preserve natural resources and maintain their livelihoods”, states David MacLennan, Cargill chairman and CEO. “Today’s announcement brings the industry together around shared goals and accountability to ensure continued progress against our sustainability commitments.”

“For ADM, sustainable practices and a focus on environmental responsibility are integral to the work we do every day”, states ADM Chairman and CEO Juan Luciano. “Since we first made our Commitment to No Deforestation in 2015, we’ve made significant progress in achieving transparency in our own supply chains, and in working with our industry counterparts so that we are all advancing these important goals. The framework and standards we’ve agreed upon as part of the Soft Commodities Forum is a critical step forward in our collective efforts to preserve and protect the environment and the people of the Brazilian Cerrado biome.”

“Transparency and data improve trust and facilitate problem solving. Today’s commitment will generate more of both”, states Greg Heckman, Acting CEO, Bunge Limited. “It is an important step by industry leaders that will help optimize agricultural sustainability in a vital region.”

Johnny Chi, Chairman of COFCO International, states: “This initiative is a great example of collaborative action urgently needed to safeguard future food and agricultural production while ensuring environmental conservation. COFCO International will continue engaging various stakeholder groups in key forums such as the Soft Commodities Forum and Cerrado Working Group, to achieve this shared objective.”

Diane Holdorf, Managing Director Food & Nature at WBCSD, states: “The Soft Commodities Forum facilitates the first time leading global commodity traders are working together in a pre-competitive project to address sustainability risks they all share, but which no single company can resolve alone. Unprecedented collaboration such as this, together with other stakeholders, is required to address these complex food system challenges.”

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About the SCF

The Soft Commodities Forum (SCF) is a global platform for leading soft commodities companies, convened by the World Business Council for Sustainable Development (WBCSD) for the purpose of advancing collective action around common sustainability challenges. The SCF is made up of WBCSD member companies who share a vision of ensuring sustainable agriculture supply chains and working in partnership with government, producers, consumers and civil society to create a safer, more sustainable food system.

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Members of the SCF consist of the founding members Archer Daniels Midland, Bunge, Cargill and Louis Dreyfus Company (LDC). The SFC membership has expanded to include COFCO International and Glencore Agriculture. It is expected that other WBCSD members will join the SCF as its work expands.

<https://www.wbcd.org/Programs/Food-Land-Water/Food-Land-Use/Soft-Commodities-Forum>

About ADM

For more than a century, the people of Archer Daniels Midland Company (NYSE: ADM) have transformed crops into products that serve the vital needs of a growing world. At the end of 2018, we were one of the world's largest agricultural processors and food ingredient providers, with approximately 32,000 employees serving customers in more than 170 countries. With a global value chain that includes approximately 450 crop procurement locations, 270 food and feed ingredient manufacturing facilities, 46 innovation centers and the world's premier crop transportation network, we connect the harvest to the home, making products for food, animal feed, industrial and energy uses.

Learn more at www.adm.com

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About Bunge

Bunge Limited (www.bunge.com, NYSE: BG) is a leading global agribusiness and food company operating in over 40 countries with approximately 32,000 employees. Bunge buys, sells, stores and transports oilseeds and grains to serve customers worldwide; processes oilseeds to make protein meal for animal feed and edible oil products for commercial customers and consumers; produces sugar and ethanol from sugarcane; mills wheat, corn and rice to make ingredients used by food companies; and sells fertilizer in South America. Founded in 1818, the company is headquartered in White Plains, New York.

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About Cargill

Cargill's 155,000 employees across 70 countries work relentlessly to achieve our purpose of nourishing the world in a safe, responsible and sustainable way. Every day, we connect farmers with markets, customers with ingredients, and people and animals with the food they need to thrive.

We combine 153 years of experience with new technologies and insights to serve as a trusted partner for food, agriculture, financial and industrial customers in more than 125 countries. Side-by-side, we are building a stronger, sustainable future for agriculture. For more information, visit Cargill.com and our News Center.

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About COFCO International

With 12,000 people in 35 countries, COFCO International is the overseas agriculture business platform for COFCO Corporation, China's largest food and agriculture company. COFCO International is focused on being a leader in the global grains, oilseeds and sugar supply chains, with assets across the Americas, Europe and Asia-Pacific. The company trades with over 50 nations, while providing farmers unique direct access to the growing Chinese market. In 2017, COFCO International handled over 100 million tonnes of related commodities with revenues of \$34bn. The company is accelerating its growth to create a world-class integrated global agriculture supply chain, anchored in China and competing globally. For more, visit: www.cofcointernational.com

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About Glencore Agriculture

Glencore Agriculture is a global leader in the sourcing, handling, processing and marketing of agricultural commodities and products. With operations in more than 35 countries and over 13,000 employees, we create value for producers at origin and customers at destination.

Using our network of storage facilities, processing plants and transport assets we process, manage and supply commodities and products from the farm gate to our customers around the world including processors of food, animal feed and consumer products, local importers and distributors and governments.

Through our industry insight, strong relationships and network of assets, we focus on the sustainability, safety, quality and reliability of everything we do.

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About Louis Dreyfus Company

Louis Dreyfus Company is a leading merchant and processor of agricultural goods. We leverage our global reach and extensive asset network to serve our customers around the world, delivering the right products to the right location, at the right time – safely, responsibly and reliably. Our activities span the entire value chain from farm to fork, across a broad range of business lines (platforms). Since 1851 our portfolio has grown to include Oilseeds, Grains, Freight, Global Markets, Coffee, Cotton, Sugar, Rice, Dairy and Juice. We help feed and clothe some 500 million people every year by originating, processing and transporting approximately 81 million tons of products. Structured as a matrix organization of 6 geographical regions and 10 platforms, Louis Dreyfus Company is active in over 100 countries and employs approximately 17 000 people globally. For more information, visit www ldc.com and follow us on [Twitter](#) and [LinkedIn](#).

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About WBCSD

WBCSD is a global, CEO-led organization of over 200 leading businesses working together to accelerate the transition to a sustainable world. We help make our member companies more successful and sustainable by focusing on the maximum positive impact for shareholders, the environment and societies.

Our member companies come from all business sectors and all major economies, representing a combined revenue of more than USD \$8.5 trillion and 19 million employees. Our global network of almost 70 national business councils gives our members unparalleled reach across the globe. WBCSD is uniquely positioned to work with member companies along and across value chains to deliver impactful business solutions to the most challenging sustainability issues.

Together, we are the leading voice of business for sustainability: united by our vision of a world where more than 9 billion people are all living well and within the boundaries of our planet, by 2050.

www.wbcasd.org

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